''(bb) 1/55 of the total amount of new loan funds made available for award under this subsection for that fiscal year; and

''(II) any additional amount, as determined by the Administration.

''(ii) REDISTRIBUTION.—If, at the beginning of the third quarter of a fiscal year, the Administration determines that any portion of the amount made available to carry out this subsection is unlikely to be made available under clause (i) during that fiscal year, the Administration may make that portion available for award in any 1 or more States (including the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa) without regard to clause (i).''; and

Mr. ENZI. Mr. President, I ask unanimous consent that the amendment be agreed to, the motion to reconsider be laid upon the table, the bill, as amended, be considered read the third time, passed, and the motion to reconsider be laid upon the table, all without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 248) was agreed to.

The bill (H.R. 440), as amended, was considered read the third time and passed.

DISASTER MITIGATION COORDINATION ACT OF 1999

Mr. ENZI. Mr. President, I ask unanimous consent that S. 388 be discharged from the Small Business Committee and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (S. 388) to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KERRY. Mr. President, after one year of working to enact a program that emphasizes prevention over reaction in dealing with natural disasters, the bill Senator CLELAND and I first introduced in the 105th Congress has made its way back to the Senate for our consideration and support. I ask my colleagues to vote for S. 388, the Disaster Mitigation Coordination Act of 1999. Your vote will help our nation's small businesses save money and prepare for natural disasters.

This bill establishes a 5-year pilot program that would make low-interest, long-term loans available to small business owners financing preventive measures to protect their businesses against, and lessen the extent of, future disaster damage. This pilot is designed to help those small businesses that can't get credit elsewhere and that are located in disaster-prone areas.

The small business pre-disaster mitigation loan pilot program would be run as part of the Small Business Administration's regular disaster loan program, testing the pros and cons of preparedness versus reaction. Currently, SBA's disaster loans are available for mitigation after a recent natural disaster. Those loans are also limiting because only 20 percent of an SBA disaster loan may be used to install new mitigation techniques that will prevent future damage. In contrast, this legislation would allow 100 percent of an SBA disaster loan to be used for mitigation purposes within any area that the Federal Emergency Management Agency (FEMA) has designated as disaster-prone. In Massachusetts, that includes Marshfield and Quincy, two coastal communities that are prone to flooding, rainstorms and Nor'easters.

I see a great need for this type of assistance in the small business community. Aside from avoiding inconveniences and disruptions, we know that there are cost-benefits to making meaningful improvements and changes to facilities before a disaster. According to the Federal Emergency Management Agency, which has a disaster mitigation program for communities, rather than businesses, we save two dollars of disaster relief money for each dollar spent on disaster mitigation.

Nationwide, whether you're a business in Florida or Massachusetts, this pilot would allow you to take out a loan to make the improvements to your building or office to protect against disasters. To lessen damage from hurricanes, it can mean constructing retaining and sea walls. To lessen damage from fires, it can mean adding sprinklers and flame-retardant building materials. And to lessen damage from floods, it can mean grading and contouring land or relocating the business.

The administration supports this pilot program and included it in President Clinton's budget request two years in a row—fiscal years 1999 and 2000. As the bill authorizes, the President requests that up to $15 million of the total $358 million proposed for disaster loans be used for disaster mitigation loans.

Senator CLELAND and I introduced this same legislation in the last Congress. And although it passed committee and the full Senate without opposition, the House did not vote on its merits before the 105th Congress ended. I thank our friends in the House and my colleagues in the Senate for sharing our concern to meet the needs of our small business owners while also working to find solutions that are smarter, more pro-active and more cost-effective. Mr. President, I am pleased to be a cosponsor of this legislation and am hopeful it will pass the Senate today and that the President will soon sign it in to law.

Mr. ENZI. I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 388) was read the third time and passed, as follows:

S. 388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISASTER MITIGATION PILOT PROGRAM.

(a) IN GENERAL.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(1) in subparagraph (B), by adding ''and'' at the end; and

(2) by adding at the end the following:

''(C) during fiscal years 2000 through 2004, to establish a predisaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis), as the Administrator may determine to be necessary or appropriate, to enable small businesses to use mitigation techniques in support of a formal mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee may be extended to a small business under this subparagraph unless the Administration finds that the small business is otherwise unable to obtain credit for the purposes described in this subparagraph;''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

''(f) DISASTER MITIGATION PILOT PROGRAM.—The following program levels are authorized for loans under section 7(b)(1)(C):

''(1) $15,000,000 for fiscal year 2000.

''(2) $15,000,000 for fiscal year 2001.

''(3) $15,000,000 for fiscal year 2002.

''(4) $15,000,000 for fiscal year 2003.

''(5) $15,000,000 for fiscal year 2004.''.

(c) EVALUATION.—On January 31, 2003, the Administrator of the Small Business Administration shall submit to the Committees on Small Business of the House of Representatives and the Senate a report on the effectiveness of the pilot program authorized by section 7(b)(1)(C) of the Small Business Act (15 U.S.C. 636(b)(1)(C)), as added by subsection (a) of this section, which report shall include—

(1) information relating to—

(A) the areas served under the pilot program;

(B) the number and dollar value of loans made under the pilot program; and

(C) the estimated savings to the Federal Government resulting from the pilot program; and

(2) such other information as the Administrator determines to be appropriate for evaluating the pilot program.

REPORTS BY THE POSTMASTER GENERAL ON OFFICIAL MAIL OF THE HOUSE

Mr. ENZI. I ask unanimous consent that H.R. 705 be discharged from the Governmental Affairs Committee, and the Senate now proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 705) to make technical corrections with respect to the monthly reports submitted by the Postmaster General on official mail of the House of Representatives.

Mr. ENZI. I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 705) was read the third time and passed.

EXTENSION OF AVIATION WAR RISK INSURANCE PROGRAM

Mr. ENZI. I ask unanimous consent that H.R. 98 be discharged from the Governmental Affairs Committee, and further, that the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:.

A bill (H.R 98) to amend chapter 443 of title 49, United States Code, to extend the aviation war risk insurance program, and to amend the Centennial of Flight Commemoration Act to make technical and other corrections.

AMENDMENT NO. 249

(Purpose: To strike section 2 relating to the Centennial of Flight Commemoration Act (36 U.S.C. 143 note; 112 Stat 3486 et seq.)

Mr. ENZI. I understand Senator THOMPSON has an amendment at the desk. I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming (Mr. ENZI), for Mr. THOMPSON, proposes an amendment numbered 249:

Strike section 2.

Amend the title so as to read: ''An Act to amend chapter 443 of title 49, United States Code, to extend the aviation war risk insurance program.''.

Mr. McCAIN. Mr. President, I rise in support of H.R. 98, which would reauthorize the aviation war risk insurance program for five years. As U.S. troops embark on strikes against Yugoslavia, it is important that we make sure to provide the Administration all of the tools necessary to carry out our foreign policy interests.

The Aviation Insurance Program insures U.S. air carriers against losses resulting from war, terrorism or other hostile acts. Program insurance is available when a carrier's commercial insurance is canceled, or is unavailable at reasonable rates. First, however, the President or his designee must determine that a flight is essential to the foreign policy interests of the United States.

We must act on this legislation now. Otherwise, the Aviation Insurance Program will expire at the end of March. I cannot overemphasize its importance. During Operation Desert Storm, for instance, the program insured more than 5,000 flights provided by commercial airlines in support of the Department of Defense, as part of the Civil Reserve Air Fleet. U.S. carriers simply would not be able to participate in the Civil Reserve Air Fleet if they could not insure against high risks of loss or damage.

I want to emphasize another important point. The Senate recently approved legislation that, among other things, would reauthorize the Aviation Insurance Program for two months. H.R. 98 would reauthorize the program for five years. In the event that the legislation containing the two-month extension is enacted into law after H.R. 98 is enacted into law, the two-month provision should not trump the five-year provision. In other words, it is our intent that the Aviation Insurance Program is reauthorized for five years.

I urge my colleagues to join me in supporting this legislation to reauthorize the aviation war risk insurance program for five years.

Mr. ENZI. I ask unanimous consent that the amendment be agreed to, the bill then be referred to the Commerce Committee; I further ask consent that the bill then be immediately discharged, the Senate proceed to its consideration, the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the measure appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Amendment (No. 249) was agreed to.

The bill (H.R. 98), as amended, was read the third time and passed.

Mr. ENZI. I finally ask unanimous consent that the amendment to the title, which is at the desk, be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title was amended so as to read: ''An Act to amend chapter 443 of title 49, United States Code, to extend the aviation war risk insurance program.''

MAKING OF RISK MANAGEMENT DECISIONS

Mr. ENZI. I ask unanimous consent that the Senate proceed to the immediate consideration of S. 756 introduced earlier today by Senator LINCOLN and Senator HUTCHINSON

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (S. 756) to provide adversely affected crop producers with additional time to make fully informed risk management decisions for the 1999 crop year.

There being no objection the Senate proceeded to consider the bill.

Mrs. LINCOLN. Mr. President, this bill addresses a crop insurance crisis that is plaguing my home state of Arkansas.

As many of you know, the outlook for the agricultural economy is very bleak for many parts of the country. As farmers in Arkansas and other states making their planting decisions for the upcoming growing season, they were offered what seemed to be a light at the end of the tunnel. A crop insurance policy entitled CRCPlus.

CRCPlus is a supplemental crop insurance policy available only from America Agrisurance, Inc. and is offered on corn, cotton, grain sorghum, soybeans, wheat and rice in several states. For Arkansas' rice growers, the original CRCPlus policies offered what appeared to be a financially viable risk management tool by adding a privately backed 3 cents per pound to the underlying federal Crop Revenue Coverage (CRC) policies. This placed the guaranteed fall price for rice at a level above projected prices. With commodity prices depressed across the board, a large number of farmers decided to switch to growing rice based on this ''too good to be true'' offer.

At a time when the agricultural climate in Arkansas is devastated to begin with, these policies were a last ray of hope for hundreds of farmers. Now, essentially, American Agrisurance has pulled the rug out from under these families. On March 1, the company reneged, saying it would reduce the additional guarantee of coverage from 3 cents to 1½ cents per pound. This announcement came after the sales period for crop insurance was closed, leaving many producers with a product they would not have otherwise purchased. Many producers felt they had been misled and I tend to agree. I am very thankful to Secretary of Agriculture Dan Glickman and Risk Management Agency Director, Ken Ackerman for their assistance in opening the cancellation period for crop insurance over the last two weeks so that the affected producers had more time to evaluate whether to keep the CRCPlus policies. This extra time eased the mind of many producers in my state during a very troubling period. During this extended cancellation period many producers reevaluated the cost/benefit ratios calculated at the 1½ cent level rather than the 3 cent level. Several producers canceled their polities with American Agrisurance, but many producers decided that the coverage offered was still sufficient to provide protection during a very volatile growing season and opted to stick with American Agrisurance and the CRCPlus policy. I wish the story ended here.

American Agrisurance has since indicated that due to a problem with its reinsurers, they may not be able to live up to the additional 1½ cents of coverage on policies currently held by many producers. The company is reviewing its financial status and will announce on March 25th whether or not the 1½ cent polices will be honored. This situation has further clouded the outlook for producers and left them wondering what to believe and who to trust.

Regardless of the company's excuses for its actions, it is now imperative that farmers who were wronged by this company be able to withdraw their